

“K” LINE / KYOWA SHIPPING

JAPAN / GUAM / SAIPAN CAR CARRIER SPACE CHARTER AGREEMENT

A Space Charter Agreement

FMC Agreement No.: 201319

Expiration Date: NONE

Effective Date:

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ARTICLE 1: FULL NAME OF AGREEMENT

The full name of this Agreement is the "K" LINE / KYOWA SHIPPING - JAPAN / GUAM / SAIPAN CAR CARRIER SPACE CHARTER AGREEMENT ("the Agreement").

ARTICLE 2: PURPOSE OF AGREEMENT

The purpose of this Agreement is to authorize the Parties as defined in Article 3 to charter space on each other's Ro/Ro vessels, to utilize that space in the Trade defined in Article 4 of this Agreement and to authorize the Parties to agree on cooperative working arrangements in connection therewith.

ARTICLE 3: PARTIES TO THE AGREEMENT

The Parties to this Agreement are:

- (1) KAWASAKI KISEN KAISHA, LTD.
Iino Building 1-1, Uchisaiwaicho 2-Chome,
Chiyoda-ku,
Tokyo 100-8540,
Japan
(hereafter "K" Line)
- (2) KYOWA SHIPPING CO., LTD.
Hibiya Building 4th floor, 1-1, Shinbashi 1-Chome,
Minato-ku,
Tokyo 105-0004
Japan
(hereafter "KYOWA SHIPPING")

("K" Line and KYOWA SHIPPING may be individually referred to as a "Party" and collectively as the "Parties")

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

The geographic scope of this Agreement is the trade between ports in Japan on the one hand, and ports in Guam, and ports in Saipan, Commonwealth of the Northern Mariana Islands, on the other hand (the "Trade").

ARTICLE 5: OVERVIEW OF AGREEMENT AUTHORITY

5.1 Under this Agreement, the Parties may each charter space on vessels owned or chartered by the Parties, on such terms and conditions as the Parties may agree. To facilitate efficient operations under this Agreement, the Parties may discuss and agree upon: the capacity and features of the vessels; the schedule and selection of ports of loading and discharge; space requirements and the availability of space on vessels owned or chartered by the Parties; the place and timing of the provisions of space; procedures for booking space, for documentation, for special cargo handling instructions or requirements; and for any other administrative matters relating to chartering and operations under this Agreement.

5.2 Compensation for any space chartered pursuant to this Agreement shall be upon such terms and at such hire as the Parties may from time to time agree. Billing and payment terms and conditions shall also be as agreed between the Parties from time to time.

5.3 The Parties are authorized to discuss and agree upon arrangements for the use of terminals in connection with the chartering of space hereunder, including entering into exclusive, preferential, or cooperative working arrangements with marine terminal operators and any person relating to marine terminal, stevedoring or other shoreside services. Nothing herein, however, shall authorize the Parties jointly to operate a marine terminal in the United States.

5.4 The Parties may also discuss and agree upon such general administrative matters and other terms and conditions concerning the implementation of this Agreement as may be necessary or convenient from time to time including but not limited to forecasting, stowage planning, record-keeping, responsibility for loss or damage, insurance, liabilities, claims, indemnification, consequences for delays and/or other failure to perform, the terms of their respective bills of lading, force majeure, and treatment of hazardous and dangerous cargoes.

5.5 Pursuant to 46 CFR §535.408, any further agreement or cooperation beyond what is authorized herein cannot go into effect unless filed and effective under the Shipping Act of 1984, as amended.

ARTICLE 6: OFFICIALS OF THE AGREEMENT AND DELEGATION OF
AUTHORITY

The following shall have authority to file this Agreement and any modification hereto:

- (a) any authorized officer or official of either Party;
- (b) legal counsel for either Party.

ARTICLE 7: MEMBERSHIP, WITHDRAWAL, READMISSION AND EXPULSION

7.1. Membership

Additional carrier Parties offering regular service in the Trade may become party to the Agreement by unanimous agreement of the Parties and by filed and effective amendment of the Agreement pursuant to the Shipping Act of 1984, as amended.

7.2. Withdrawal

A Party may withdraw from this Agreement for any reason upon forty-five (45) days prior written notice to the other Party (or any additional Party). In the event that a Party withdraws hereunder, it shall remain liable to any other Parties for all liabilities accrued during the term of the Agreement in connection with any space charter or other activity under this agreement.

ARTICLE 8: VOTING

Not applicable.

ARTICLE 9: DURATION AND TERMINATION OF THE AGREEMENT

This Agreement, as amended, shall take effect on the date it becomes effective under the Shipping Act of 1984, as amended, and shall remain in effect thereafter until terminated pursuant to Article 7.2 hereof or by mutual agreement of the Parties.

ARTICLE 10: APPLICABLE LAW AND DISPUTE RESOLUTION

The substantive law of the State of New York shall govern this Agreement. Any dispute shall be settled exclusively by arbitration at New York under the Rules of the Society of Maritime Arbitrators. Upon giving notice of a claim under SMA rules, the claimant shall nominate an arbitrator from the SMA roster to act as the sole arbitrator and simultaneously request the respondent's agreement. Failing a response by the respondent within 10 days of this initial nomination, the arbitrator so nominated shall become the sole arbitrator. The arbitrator shall promptly submit his/her disclosure statement to the parties, as required under Section 9 of the standard SMA Rules. If the respondent does not agree to the nominated arbitrator as sole arbitrator, the respondent shall propose three other persons from the SMA

roster to serve as sole arbitrator. Failing agreement on a sole arbitrator, either party may request that the President of the SMA appoint the sole arbitrator. This appointment shall be binding upon the parties, and the arbitration shall proceed under SMA Rules. The arbitrator's award may be confirmed in any court of competent jurisdiction and shall be enforceable under the United Nations Convention on the Recognition and Enforcement of Arbitral Awards of June 10, 1958. The award to be rendered shall be final and binding upon both parties hereto. The prevailing party shall be awarded its attorney's fees, costs and interest from the date of claim.

ARTICLE 11: SEVERABILITY

If any term or provision of this Agreement shall be held to be illegal or unenforceable, in whole or in part, such term or provision or part shall to that extent be deemed not to form part of this Agreement but the enforceability of the remainder of this Agreement shall not be affected.

ARTICLE 12: NON-ASSIGNABILITY

The rights and obligations of each Party under the Agreement herein shall not be assignable except to subsidiaries, parent companies or fellow subsidiaries or by prior unanimous written agreement. Each Party shall warrant that any subsidiary or fellow subsidiary to which any assignment is made shall not be sold to another Party.

ARTICLE 13: NOTICE TO GOVERNMENT AGENCY

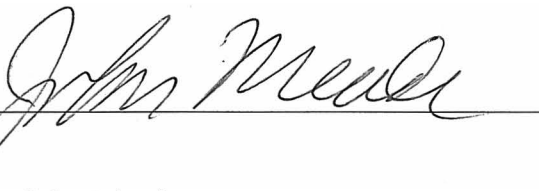
The Federal Maritime Commission shall be promptly notified in writing of any early termination of this Agreement by mutual agreement.

SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of this 21st day of August, 2019.

KAWASAKI KISEN KAISHA, LTD.

FMC Carrier Number: 001466

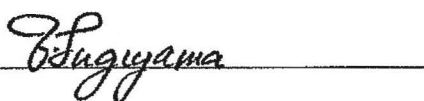
By: 

Name: John Meade

Title: Counsel for Kawasaki Kisen Kaisha, Ltd.

KYOWA SHIPPING CO., LTD.

FMC Carrier Number: 001491

By: 

Name: Tomoyuki SUGIYAMA

Title: Managing Director